Agenda – Council – February 24, 2010

Report – Executive Policy Committee – February 3, 2010

Item No. 3 Soldiers' Taxation Relief Assistance
eFile FL-2.3

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 3, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the applications pursuant to The Soldiers' Taxation Relief Act be approved on the understanding that the requested amount will be recovered from the Province of Manitoba.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – February 3, 2010

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 3, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

ISSUE: ***The Soldiers' Taxation Relief Act*** **requires City Council to annually approve applications for tax assistance and to forward a copy to the Province of Manitoba for reimbursement.**

CRITICAL PATH: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Cull Manager of Taxation and Finance	N. Karpa Director of Assessment and Taxation	M. Ruta	M. Ruta Deputy CAO

RECOMMENDATIONS

1. That City Council approve the applications pursuant to The Soldiers' Taxation Relief Act on the understanding that the requested amount will be recovered from the Province of Manitoba.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

IMPLICATIONS OF THE RECOMMENDATIONS

Financial Implications

(X) Within approved current and/or capital budget

Comment(s): The provision of the soldiers' tax relief is revenue neutral for the City of Winnipeg. This credit program is administered and funded by the Province of Manitoba. Any approved amount claimed is paid to the City of Winnipeg by the Province and refunded back to the approved property owner.

HISTORY

The Soldiers' Taxation Relief Act provides for a partial exemption from property taxes of an amount not exceeding $50 in each year, for the property of:

- The pensioned surviving spouse of any soldier;
- The pensioned parent of any deceased soldier or of a totally disabled soldier confined in any military hospital for the treatment of mental diseases, or any sanatorium for the treatment of tuberculosis;
- Any soldier in receipt of a military pension by reason of being disabled to the extent of at least 75% of total disability;
- A totally disabled soldier confined in any hospital or in any sanatorium for the treatment of tuberculosis, or in any hospital for the treatment of mental diseases, while so confined therein for not less than a minimum period of three months in any one year.

The exemption is "income tested" and does not apply to the property of any such person who has income from sources other than the pension. The $50 exemption amount has remained unchanged for several years.

DISCUSSION:

The Director of Assessment and Taxation has received nine applications for relief from taxation for the year 2009 under the provisions of this Act, and is satisfied as to the good faith and merit of the applications. The total amount of the relief granted is $450.00.

FINANCIAL IMPACT

Financial Impact Statement **Date:** January 14, 2010

Project Name: **First Year of Program** **2010**

Soldiers' Taxation Relief

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grant	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 450	$ -	$ -	$ -	$ -
Less: Reimbursement from Province of Manitoba	$ 450	$ -	$ -	$ -	$ -
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	$ -	$ -	$ -	$ -	$ -
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The provision of the soldiers' tax relief is revenue neutral for the City of Winnipeg. This credit program is administered and funded by the Province of Manitoba. Any approved amount claimed is paid to the City of Winnipeg by the Province and refunded back to the approved property owner.

[original signed by]
Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this Report, there was consultation with:

Internal

External

Individual veterans / widows for completion of application forms

Veterans Affairs Canada, Manitoba District, Winnipeg Office

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: B. Cull, Manager of Taxation and Finance
Date: Jan 14, 2010
File No. : N/A